#### ORDINANCE NO. 09-54

ORDINANCE OF THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, **AMENDING** CHAPTER FLORIDA ENTITLED "RETIREMENT AND PENSIONS", **GENERAL** ARTICLE IV. **EMPLOYEES** RETIREMENT SYSTEM, DIVISION 3. FUNDS OF THE CODE OF ACCOUNTS. ORDINANCES, **AND** INPARTICULAR, **CODE** 70-168. REVISING HIALEAH "PENSION **RESERVE** FUND: **ENTITLED** CONTRIBUTIONS BY CITY" TO ESTABLISH A MINIMUM ANNUAL CITY CONTRIBUTION TO THE RETIREMENT SYSTEM AT 22% OF MEMBER PAYROLL WITH THE PROVISION THAT THE CITY MAY REQUEST ONCE EVERY FIVE YEARS TO REDUCE ITS MINIMUM CONTRIBUTION, OR RAISE ITS MINIMUM CONTRIBUTION, BY NO MORE THAN 2% IF SUPPORTED BY AN ACTUARIAL STUDY AND REQUISITE APPROVALS BUT IN NO CIRCUMSTANCES SHALL THE MINIMUM CONTRIBUTION BE LESS THAN 16% OF MEMBER PAYROLL OR MORE THAN 28% OF PAYROLL: REPEALING **MEMBER** ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH: **PROVIDING** PENALTIES FOR VIOLATION HEREOF; PROVIDING FOR INCLUSION IN CODE; PROVIDING FOR A SEVERABILITY CLAUSE AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the purpose and intent of this ordinance is to amend the provisions of the Retirement Code is to establish a minimum threshold or floor for the annual city contribution to the retirement system; and

WHEREAS, AFSCME Local 161; IAFF, Local 1102; and Dade County Police Benevolent Association, as union representatives of their respective bargaining units, consented or raised no objections to the proposed revisions to the Retirement Code; and

WHEREAS, the Board of Trustees of the Employees General Retirement System reviewed and recommended approval of this ordinance in substantial form at a meeting on June 16, 2009.

Ordinance No. <u>09-54</u> Page 2

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF HIALEAH, FLORIDA, THAT:

Section 1: Chapter 70 entitled "Retirement and Pensions", Article IV. Employees General Retirement System, of the Code of Ordinances of the City of Hialeah, Florida, is hereby amended to read as follows:

#### Chapter 70

#### RETIREMENT AND PENSIONS

# ARTICLE IV. EMPLOYEES GENERAL RETIREMENT SYSTEM

**DIVISION 3. FUNDS AND ACCOUNTS** 

## Sec. 70-168. Pension reserve fund; contributions by city.

¥

- (a) The pension reserve fund is created. The pension reserve fund shall be the fund in which shall be accumulated reserves for the payment of all pensions and other benefits payable from the contributions made by the city and any instrumentalities of the city or otherwise and from which shall be paid all pensions and all benefits in lieu of pensions to retirants and beneficiaries of the retirement system. Payments from this fund shall be on a monthly basis. Contributions by the city and instrumentalities of the city or otherwise to the retirement system shall be an amount according to this section.
- (b) The city contributions to the retirement system each fiscal year which together with contributions made by members during the fiscal year shall be sufficient to (i) fully fund the actuarial cost of benefits likely to be paid on account of service rendered by

Ordinance No. <u>09-54</u> Page 3

members during the year, and (ii) finance the unfunded actuarial costs of benefits likely to be paid on account of service rendered by members prior to the current year. The contributions shall be computed by the actuary as level percents of member payroll in accordance with generally recognized actuarial principles and the provisions of part VII, F.S. ch. 112. The board of trustees shall annually certify to the city council the contributions determined according to this section, and the city council shall appropriate and pay to the retirement system the contributions so certified.

- (c) The floor or minimum annual city contribution to the retirement system shall be established at 22% of member payroll. Once every five years, the city may lower the floor or reduce its minimum contribution, or raise the floor and increase its minimum contribution, by no more than 2% of member payroll only if supported by an actuarial study, subject to approval by the city council, by ordinance, and the board of trustees. In no circumstances, shall the minimum annual city contribution be less than 16% of member payroll or more than 28% of member payroll. This paragraph is subject to the provisions of paragraph 70-168(b) above.
- (ed) If the amounts appropriated in the budget in any year, as provided in this section, shall be insufficient to pay in full the amounts due in such year to all beneficiaries of the retirement system, the amount of such insufficiency shall thereupon be provided by the appropriating authorities of the city.

## **Section 2:** Repeal of Ordinances in Conflict.

All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

#### Section 3: Penalties.

Every person violating any provision of the Code or any ordinance, rule or regulation adopted or issued in pursuance thereof shall be punished by a civil penalty not to exceed \$500.00 within the discretion of the court or administrative tribunal having jurisdiction. Each act of

Ordinance No. \_\_\_\_\_\_\_Page 4

violation and each day upon which any such violation shall occur shall constitute a separate offense. In addition to the penalty prescribed above, the city may pursue other remedies such as abatement of nuisance, injunctive relief, administrative adjudication and revocation of licenses or permits.

### Section 4: Inclusion in Code.

The provisions of this ordinance shall be included and incorporated in the Code of Ordinances of the City of Hialeah, as an addition or amendment thereto, and the sections of this ordinance shall be renumbered, as appropriate, to conform to the uniform numbering system of the Code.

## Section 5: Severability Clause.

If any phrase, clause, sentence, paragraph or section of this ordinance shall be declared invalid or unconstitutional by the judgment or decree of a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect any of the remaining phrases, clauses, sentences, paragraphs or sections of this ordinance.

## **Section 6:** Effective Date.

This ordinance shall become effective when passed by the City Council and signed by the Mayor or at the next regularly scheduled City Council meeting, if the Mayor's signature is

(THIS SPACE IS LEFT INTENTIONALLY BLANK.)

Ordinance No. <u>09-54</u>
Page 5

withheld or if the City Council overrides the Mayor's veto.

PASSED AND ADOPTED this 25th day of August , 2009.

THE FOREGOING ORDINANCE OF THE CITY OF HIALEAH WAS PUBLISHED IN ACCORDANCE WITH THE PROVISIONS OF FLORIDA STATUTE 166.041 PRIOR TO FINAL READING.

Carlos Hernandez Coungil President

Attest:

Approved on this

yof 13434, 200

Rafael E. Granado, City Clerk

Mayor Julio Robaina

Approved as to form and legal sufficiency:

William M. Grodnick. City Attorney

Strikethrough indicates deletion. <u>Underline</u> indicates addition.

Ordinance was adopted by a unanimous vote with Councilmembers, Caragol, Casals-Muñoz, Cue, Garcia-Martinez, Gonzalez, Hernandez, and Yedra voting "Yes".